

CHAPTER 8

STATEMENT OF FINANCING★0801 FORMATS FOR THE STATEMENT OF FINANCING

Department of Defense

[Reporting Entity]

COMBINED STATEMENT OF FINANCING

For the year ending September 30, 1999

(\$ in thousands)

	FY 1999
1. OBLIGATIONS AND NONBUDGETARY RESOURCES:	
A. Obligations Incurred	\$ 777,777
B. Less: Spending Authority for Offsetting Collections and Adjustments	(111,111)
C. Donations Not in the Entity's Budget	111,111
D. Financing Imputed for Cost Subsidies	222,222
E. Transfers-In (Out)	111,111
★F. Less: Exchange Revenue Not in the Entity's Budget	(333,333)
G. Other	111,111
H. Total Obligations as Adjusted and Nonbudgetary Resources	<u>\$ x,xxx,xxx</u>
2. RESOURCES THAT DO NOT FUND NET COST OF OPERATIONS:	
★A. Change in Amount of Goods, Services, and Benefits Ordered but Not Yet Received or Provided - (Increases)/Decreases	(111,111)
★B. Costs Capitalized on the Balance Sheet - (Increases)/Decreases	(222,222)
★C. Financing Sources That Fund Costs of Prior Periods	(111,111)
★D. Other - (Increases)/Decreases	(xxx,xxx)
★E. Total Resources That Do Not Fund Net Costs of Operations	<u>\$ (x,xxx,xxx)</u>
3. COSTS THAT DO NOT REQUIRE RESOURCES:	
A. Depreciation and Amortization	xxx,xxx
B. Revaluation of Assets and Liabilities - Increases/(Decreases)	xxx,xxx
C. Other - Increases/(Decreases)	xxx,xxx
D. Total Costs That Do Not Require Resources	<u>\$ x,xxx,xxx</u>
4. Financing Sources Yet to be Provided	<u>xxx,xxx</u>
5. Net Cost of Operations	<u>\$ x,xxx,xxx</u>

Additional Information included in Note 19.

The accompanying notes are an integral part of these statements.

Figure 8-1

0802 INSTRUCTIONS FOR THE PREPARATION OF THE STATEMENT OF FINANCING080201. General Instructions.

★A. The Statement of Financing is designed to provide information on the total resources used by an agency and explain how those resources were used to finance orders for goods and services not yet delivered, to acquire assets and liabilities, and to fund the entity's net cost of operations. It is designed to report the differences and facilitate the reconciliation of accrual-based amounts used in the Statement of Net Cost and obligation-based amounts used in the Statement of Budgetary Resources. The computations and presentation of items in the Statement of Financing demonstrate that the budgetary and proprietary information in an agency's financial management systems are in agreement. All amounts used in this financial statement should be preclosing balances. The Office of Management and Budget (OMB) does not require a consolidated Statement of Financing for fiscal year (FY) 1999. Therefore, the Department of Defense (DoD) has elected to prepare for FY 1999 a combined Statement of Financing. The statements will be appropriately titled as combined. In addition, because the Department has elected to prepare combined and combining statements for FY 1999, disclose in Note 19 that intraentity transactions have not been eliminated.

B. Preparers of financial statements have flexibility as to the level of detail presented, i.e., the information should be presented for the reporting entity as a whole and, if the preparer elects, for the major suborganizations or responsibility segments or for the major budget accounts. Material disclosures pertinent to the Statement of Financing are provided at Note 19.

080202. Line Item Instructions. In addition to the narrative below see the general ledger crosswalk in paragraph 080306 for a description of the accounts and attributes applicable to each line item.

A. Obligations and Nonbudgetary Resources - Lines 1.A. through 1.H. The obligations and nonbudgetary resources section reports the computation of "Obligations Incurred" and adjustments for offsetting collections to expenditure accounts, recoveries of authority, and other items defined in the OMB Circular A-34. It also reports financing that is not recognized in the entity's budget. Financing sources other than exchange revenues which are not in the budget are added to obligations because they provide additional resources. Exchange revenues not in the budget are subtracted from obligations because they were subtracted from gross costs in the computation for net cost of operations.

1. Obligations Incurred – Line 1.A. This amount shall equal the obligations incurred as reported for the current year on the Statement of Budgetary Resources, Line 7. This line includes amounts for new orders placed, contracts awarded, services received, undelivered orders, expended authority, etc., that require payment some time during the same or future period.

★2. Less: Spending Authority from Offsetting Collections and Adjustments – Line 1.B. This line consists of three primary components: offsetting collections,

recoveries of authority, and changes in unfilled customer orders. Offsetting collections is a combination of collections from the public and other federal agencies for the various activities in which DoD engages. The recoveries of prior year authority component consist of budget authority that was recovered during the current year due to a reduction in a prior year obligation. The third and final component of this line is the change in unfilled customer orders. Unfilled customer orders are considered a budgetary resource at the time the order is accepted. Collections on those orders are also considered a resource. In order to avoid double-counting when relating net obligations to net outlays, the change in unfilled customer orders from the beginning of the period to the end of the period must be deducted from obligations incurred. This line includes the amount reported on the Statement of Budgetary Resources, Line 4.

3. Donations Not in the Entity's Budget – Line 1.C. Include “other than cash” amounts for donated revenue.

4. Financing Imputed for Cost Subsidies – Line 1.D. This amount includes the imputed financing sources for cost subsidies.

★5. Transfers-In (Out) – Line 1.E. Include the amounts for cash and capitalized assets that have been transferred in without reimbursement and transferred out without reimbursement. This amount should equal the net of lines 2.E. and 2.F. on the Statement of Changes in Net Position.

★6. Less: Exchange Revenue Not in the Entity's Budget – Line 1.F. This line should include amounts for nongovernment increases/decreases that are associated with nongovernment exchange revenue for accounts receivable and interest receivable. This line also includes other revenue that is associated with exchange revenue. Include interest earned on donations and investments in trust funds. This line is subtracted from obligations incurred due to the different recognition criteria for budgetary resources and revenue. In accordance with the Statements of Federal Financial Accounting Standards (SFFAS), revenue is recognized as intragovernmental receivables or public receivables. Under budgetary accounting intragovernmental receivables are recognized as a budgetary resource while public receivables are not recognized as a budgetary resource until they are actually collected. Therefore, any future collection of public receivables is going to be considered a budgetary resource, but not a financial revenue because it has already been recorded as a financial revenue. Therefore, changes in public receivables must be subtracted as a reconciling item in order to arrive at the net cost of operations on the Statement of Financing.

7. Other – Line 1.G. This line includes any other nonbudgetary revenue that is associated with nonexchange revenue. Any component of this line that represents more than 10 percent of the value of this line shall be separately disclosed.

8. Total Obligations as Adjusted and Nonbudgetary Resources
Line 1.H. Sum of lines 1.A. through 1.G.

B. Resources That Do Not Fund Net Costs of Operations. Some obligations or nonbudgetary financing sources do not result in expenses on the Statement of Net Cost for the period in which the obligation was made or the nonbudgetary resource recognized. Resources that do not fund net costs of operations commonly arise from three sources. One source is the change in goods, services, and benefits ordered but not yet received or provided. Another source is any good or service capitalized on the Balance Sheet. The third source is any item that is treated as a financing source yet to be provided in a prior period and that is being recognized as a budgetary resource in the current period. Because these items are included in obligations, as adjusted, and nonbudgetary financing sources, but not in the net cost of operations, they shall be subtracted in the reconciliation.

★1. Change in Amount of Goods, Services, and Benefits Ordered but Not Yet Received or Provided (Increases)/Decreases – Line 2.A. This line includes the net change in undelivered orders from the beginning of the period to the end. Net increases in undelivered orders and upward adjustments of prior-year undelivered orders should be subtracted from the net obligations and nonbudgetary resources; net decreases in undelivered orders and downward adjustments of prior-year undelivered orders should be added.

2. Costs Capitalized on the Balance Sheet (Increases)/Decreases – Line 2.B. This line includes obligations that do not affect net costs. Examples are: General property, plant, and equipment (PP&E), loans from liquidating funds, and nongovernment securities and investments. This amount should be subtracted from obligations and nonbudgetary resources.

3. Financing Sources That Fund Costs of Prior Periods – Line 2.C. Include on this line amounts received for budgetary resources in the current period that were previously reported as “financing sources yet to be provided.”

4. Other (Increases)/Decreases – Line 2.D. This line should include any other amounts that are not identified in lines 2.A. through 2.C. that are resources that do not fund net costs of operations. Any component of this line that represents more than 10 percent of the value of the line should be separately disclosed.

5. Total Resources That Do Not Fund Net Costs of Operations – Line 2.E. Sum of lines 2.A. through 2.D.

C. Costs That Do Not Require Resources. These are costs which do not require financing by either budgetary or nonbudgetary resources. Although there may be many expenses of this type, two of the most common are depreciation and expenses related to the revaluation of assets. Because these items are part of the net cost of operations but are not included in obligations, as adjusted, and nonbudgetary resources, they should be added in the reconciliation. As a practical matter, it may not always be feasible to report this information separately as displayed in the illustrated Statement of Financing.

1. Depreciation and Amortization – Line 3.A. Report those amounts for depreciation and amortization for General PP&E. This line should also include amounts for depletion.

2. Revaluation of Assets and Liabilities Increases/(Decreases) – Line 3.B. This line includes other gains and losses as a result of the revaluation of assets.

3. Other Increases/(Decreases) – Line 3.C. Include amounts for bad debts related to uncollectible noncredit report receivables. Include also amounts for the losses on the disposition of assets and the obligations associated with extraordinary items. Any component of this line which represents more than 10 percent of the value of the line should be separately disclosed.

4. Total Costs That Do Not Require Resources – Line 3.D. Sum of lines 3.A. through 3.C.

★D. Financing Sources Yet to be Provided – Line 4. The costs of the federal government are not always funded in the period the costs are incurred. Two examples most common to agencies funded by appropriations are the cost of increases in unused annual leave and the Federal Compensation Employment Act reimbursements to the Department of Labor. Costs of this nature are incurred in the reporting period, but are normally funded through appropriations in subsequent years. Future funding required for these costs is reported as “financing sources yet to be provided.” Because these costs are part of the net cost of operations but are not in obligations as adjusted, and nonbudgetary resources, they should be added in the reconciliation. Note that in a subsequent year, when budgetary resources are provided, the costs are subtracted in the section entitled “resources that do not fund net cost of operations.”

E. Net Cost of Operations – Line 5. This amount is determined by netting the “obligations as adjusted and nonbudgetary resources” and making appropriate adjustments for the total “resources that do not fund net cost of operations,” the total “costs that do not require resources,” and “financing sources yet to be provided.” The net cost of operations resulting from the reconciliation on the Statement of Financing shall be the same as the net cost of operations reported on the Statement of Net Cost (see Appendix B for the required reconciliation).

0803 GENERAL LEDGER CROSSWALK FOR THE STATEMENT OF FINANCING.

The following provides an explanation of the information included in the columns of the crosswalk (all ending balances are preclosing balances):

080301. Column (1) represents the line number on the statement.

080302. Column (2) identifies the title of the line number on the statement.

080303. Column (3) reflects the U.S. Government Standard General Ledger account numbers included on each line of the statement.

080304. Column (4) identifies the title of the general ledger account.

080305. Column (5) indicates the balance or value selected for each account (E = End of period balance, B = Beginning of period balance, E-B = End of period balance less the beginning of period balance).

080306. Column (6) additional information to be used in developing the presentation of the identified data.

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
1.	Obligations and Nonbudgetary Resources				
1.A.	Obligations Incurred	4801	Undelivered Orders – Unpaid	E-B	Category A. Direct.
		4802	Undelivered Orders – Paid	E-B	Category A. Direct.
		4881	Upward Adjustments of Prior Year Unpaid Undelivered Orders	E	Category A. Direct.

Table 8-1

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.A.	Obligations Incurred (Cont.)	4882	Upward Adjustments of Prior Year Paid Undelivered Orders	E	Category A. Direct.
		4901	Expended Authority – Unpaid	E-B	Category A. Direct.
		4902	Expended Authority – Paid	E	Category A. Direct.
		4981	Upward Adjustments of Prior Year Unpaid Expended Authority	E	Category A. Direct.
		4982	Upward Adjustments of Prior Year Paid Expended Authority	E	Category A. Direct.
		4801	Undelivered Orders – Unpaid	E-B	Category B. Direct.
		4802	Undelivered Orders – Paid	E-B	Category B. Direct.
		4881	Upward Adjustments of Prior Year Unpaid Undelivered Orders	E	Category B. Direct.
		4882	Upward Adjustments of Prior Year Paid Undelivered Orders	E	Category B. Direct.
		4901	Expended Authority – Unpaid	E-B	Category B. Direct.
		4902	Expended Authority – Paid	E	Category B. Direct.
		4981	Upward Adjustments of Prior Year Unpaid Expended Authority	E	Category B. Direct.
		4982	Upward Adjustments of Prior Year Paid Expended Authority	E	Category B. Direct.
		4801	Undelivered Orders – Unpaid	E-B	Direct. Not subject to apportionment.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.A.	Obligations Incurred (Cont.)	4802	Undelivered Orders – Paid	E-B	Direct. Not subject to apportionment.
		4881	Upward Adjustments of Prior Year Unpaid Undelivered Orders	E	Direct. Not subject to apportionment.
		4882	Upward Adjustments of Prior Year Paid Undelivered Orders	E	Direct. Not subject to apportionment.
		4901	Expended Authority – Unpaid	E-B	Direct. Not subject to apportionment.
		4902	Expended Authority – Paid	E	Direct. Not subject to apportionment.
		4981	Upward Adjustments of Prior Year Unpaid Expended Authority	E	Direct. Not subject to apportionment.
		4982	Upward Adjustments of Prior Year Paid Expended Authority	E	Direct. Not subject to apportionment.
		4801	Undelivered Orders – Unpaid	E-B	Reimbursable.
		4802	Undelivered Orders – Paid	E-B	Reimbursable.
		4881	Upward Adjustments of Prior Year Unpaid Undelivered Orders	E	Reimbursable.
		4882	Upward Adjustments of Prior Year Paid Undelivered Orders	E	Reimbursable.
		4901	Expended Authority – Unpaid	E-B	Reimbursable.
		4902	Expended Authority – Paid	E	Reimbursable.
		4981	Upward Adjustments of Prior Year Unpaid Expended Authority	E	Reimbursable.
		4982	Upward Adjustments of Prior Year Paid Expended Authority	E	Reimbursable.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.B.	Less: Spending Authority from Offsetting Collections and Adjustments	4252	Reimbursements and Other Income Earned – Collected	E	
		4261	Actual Collection of Fees	E	
		4262	Actual Collection of Loan Principal	E	
		4263	Actual Collection of Loan Interest	E	
		4264	Actual Collection of Rent	E	
		4265	Actual Collections from Sale of Foreclosed Property	E	
		4266	Other Actual Collections - Non-Federal	E	
		4271	Actual Program Fund Subsidy Collected – Definite – Current	E	
		4272	Actual Program Fund Subsidy Collected – Indefinite – Permanent	E	
		4273	Interest Collected from Treasury	E	
		4274	Actual Program Fund Subsidy Collected – Indefinite – Current	E	
		4275	Actual Collections from Liquidating Fund	E	
		4276	Actual Collections from Financing Fund	E	
		4277	Other Actual Collections – Federal	E	
		4872	Downward Adjustments of Prior Year Paid Undelivered Orders Refunds Collected	E	
		4972	Downward Adjustments of Prior Year Paid Expended Authority Refunds Collected	E	
		4251	Reimbursements and Other Income Earned – Receivable	E-B	
		4281	Actual Program Fund Subsidy Receivable – Definite – Current	E-B	
		4282	Actual Program Fund Subsidy Receivable – Indefinite – Permanent	E-B	

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.B.	Less: Spending Authority from Offsetting Collections and Adjustments (Cont.)	4283	Interest Receivable from Treasury	E-B	Obligated amounts only for final in year of expiration.
		4284	Actual Program Fund Subsidy Receivable – Indefinite – Current	E-B	
		4285	Receivable from Liquidating Fund	E-B	
		4286	Receivable from the Financing Fund	E-B	
		4287	Other Federal Receivables	E-B	
		4222	Unfilled Customer Orders With Advance	E-B	Obligated amounts only for final in year of expiration.
★		4221	Unfilled Customer Orders Without Advance	E-B	
		4255	Appropriation Trust Fund Expenditure Transfers – Collected	E	
★		4225	Appropriation Trust Fund Expenditure Transfers – Receivable	E-B	
		4871	Downward Adjustments of Prior Year Unpaid Undelivered Orders	E	
		4971	Downward Adjustments of Prior Year Unpaid Expended Authority	E	
★1.C.	Donations Not in the Entity's Budget	5610	Donated Revenue – Nonfinancial Resources	E	
★		5619	Contra Revenue for Donations – Nonfinancial Resources	E	
1.D.	Financing Imputed for Cost Subsidies	5780	Imputed Financing Sources	E	
1.E.	Transfers In/Out	5720	Financing Sources Transferred In Without Reimbursement	E	

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
1.E.	Transfer In/Out (Cont.)	5730	Financing Sources Transferred Out Without Reimbursement	E	
★1.F.	Less: Exchange Revenue Not in the Entity's Budget	1310	Accounts Receivable	E-B	Non-Government. Increases)/ Decreases. Portion associated with Non-Government exchange revenue. Excludes accounts receivable related to vendor overpayments
		1319	Allowance for Loss on Accounts Receivable	E-B	Non-Government. (Increases)/ Decreases. Portion associated with Non-Government exchange revenue.
		1340	Interest Receivable	E-B	Non-Government. (Increases)/ Decreases. Portion associated with Non-Government exchange revenue.
		1349	Allowance for Loss on Interest Receivable	E-B	Non-Government. (Increases)/ Decreases. Portion associated with Non-Government exchange revenue.
★		5310	Interest Revenue	E	Credit reform interest accruals and amortization adjustment to interest revenue.
★		4263	Actual Collection of Loan Interest	E	Credit reform interest accruals and amortization adjustment to interest revenue.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.F.	Less: Exchange Revenue Not in the Entity's Budget (Cont.)	5900	Other Revenue	E	Portion associated with exchange revenue. Exclude amounts included in 1310 and 1340. Nonbudgetary.
		4273	Interest Collected from Treasury	E	Credit reform interest accruals and amortization adjustment to interest revenue.
		5909	Contra Revenue for Other Revenue		Portion associated with exchange revenue. Exclude amounts included in 1310 and 1340. Nonbudgetary.
★1.G.	Other	1340	Interest, Penalty, and Administrative Fees Receivable	E-B	Accrued interest from Treasury securities held by special and trust funds.
		5900	Other Revenue	E	Portion associated with nonexchange revenue. Nonbudgetary.
		5909	Contra Revenue for Other Revenue	E	Portion associated with nonexchange revenue. Nonbudgetary.
		5100	Revenue from Goods Sold	E	Subtract. Trust or Special fund receipts related to exchange revenue in the entity's budget.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★ 1.G.	Other (Cont.)	5109	Contra Revenue for Goods Sold	E	Trust or Special fund receipts related to exchange revenue in the entity's budget.
		5200	Revenue from Services Provided	E	Subtract. Trust or Special fund receipts related to exchange revenue in the entity's budget.
		5209	Contra Revenue for Services Provided	E	Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5310	Interest Revenue	E	Subtract. Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5319	Contra Revenue for Interest	E	Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5400	Benefit Program Revenue	E	Subtract. Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5409	Contra Revenue for Benefit Program Revenue	E	Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5900	Other Revenue	E	Subtract. Trust or Special fund receipts related to exchange revenue in the entity's budget.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★1.G.	Other (Cont.)	5909	Contra Revenue for Other Revenue	E	Trust or Special fund receipts related to exchange revenue in the entity's budget.
★		5790	Other Financing Sources	E	
★1.H.	Total Obligations as Adjusted and Nonbudgetary Resources		Sum of 1.A. through 1.G.		
2.	Resources that Do Not Fund Net Cost of Operations:				
★2.A.	Change in Amount of Goods Services and Benefits Ordered but Not Yet Received or Provided (Increases)/Decreases	4221	Unfilled Customer Order Without Advance	E-B	Net Increases/(Decreases).
		4222	Unfilled Customer Orders With Advance	E-B	Net Increases/(Decreases).
		4801	Undelivered Orders – Unpaid	E-B	Net (Increases)/Decreases.
		4871	Downward Adjustments of Prior Year Unpaid Undelivered Orders	E	Normal debit value is shown as a plus.
		4881	Upward Adjustments of Prior Year Unpaid Undelivered Orders	E	Normal credit value is shown as a minus.
		4802	Undelivered Orders – Paid	E-B	Net (Increases)/Decreases.
		4872	Downward Adjustments of Prior Year – Paid Undelivered Orders Refund Collected	E	Normal debit value is shown as a plus.
		4882	Upward Adjustments of Prior Year – Paid Undelivered Orders	E	Normal credit value is shown as a minus.
★2.B.	Costs Capitalized on the Balance Sheet (Increases)/Decreases	1711	Land and Land Rights	E-B	Assets purchased during fiscal year.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★2.B.	Costs Capitalized on the Balance Sheet (Increases)/ Decreases (Cont.)	1712	Improvements to Land	E-B	Assets purchased during fiscal year.
★		1720	Construction in Progress	E-B	Assets purchased during fiscal year.
★		1730	Buildings, Improvements, and Renovations	E-B	Assets purchased during fiscal year.
		1740	Other Structures and Facilities	E-B	Assets purchased during fiscal year.
		1750	Equipment	E-B	Assets purchased during fiscal year.
★		1810	Assets Under Capital Lease	E-B	Assets purchased during fiscal year.
★		1820	Leasehold Improvements	E-B	Assets purchased during fiscal year.
★		1830	Information Technology Software	E-B	Assets purchased during fiscal year.
★		1840	Other Natural Resources	E-B	Assets purchased during fiscal year.
★		1890	Other General Property, Plant, and Equipment	E-B	Assets purchased during fiscal year.
★		1350	Loans Receivable	E-B	Noncredit reform loans.
★		4901	Expended Authority – Unpaid	E	Credit reform loans.
★		4902	Expended Authority – Paid	E	Credit reform loans.
★		4971	Downward Adjustments of Prior - Year Unpaid Expended Authority	E	Credit reform loans.
★		4972	Downward Adjustments of Prior - Year Paid Expended Authority Refunds Collected	E	Financing account/liquidating account. Credit reform loans. Financing account/liquidating account.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★2.B.	Cost Capitalized on Balance Sheet (Increases)/ Decreases (Cont.)	4981	Upward Adjustments of Prior - Year Unpaid Expended Authority	E	Credit reform loans. Financing account/liquidating account. Credit reform loans.
★		4982	Upward Adjustments of Prior - Year Paid Expended Authority		
		1511	Operating Materials and Supplies Held for Use	E-B	
		1512	Operating Materials and Supplies Held in Reserve for Future Use	E-B	
		1513	Operating Materials and Supplies – Excess, Unserviceable and Obsolete	E-B	
		1521	Inventory Held for Sale	E-B	
		1522	Inventory Held in Reserve for Future Sale	E-B	
		1523	Inventory Held for Repair	E-B	
		1524	Inventory – Excess, Obsolete and Unserviceable	E-B	
★		1525	Inventory – Raw Materials	E-B	
★		1526	Inventory – Work-in-Process	E-B	
★		1527	Inventory – Finished Goods	E-B	
★		1561	Commodities Held Under Price Support and Stabilization Support Programs	E-B	
★		1571	Stockpile Materials Held in Reserve	E-B	Non-Government.
★		1572	Stockpile Materials Held for Sale		
★		1591	Other Related Property, Net	E-B	
★		1620	Investments in Securities Other Than Public Debt Securities	E-B	
		1690	Other Investments	E-B	Non-Government.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★2.B.	Cost Capitalized on Balance Sheet (Increases)/Decreases (Cont.)	1310	Accounts Receivable	E-B	Includes only vendor over-payments related to capitalized assets.
★2.C.	Financing Sources That Fund Costs of Prior Periods	4118	Reestimated Discretionary Loan Subsidy Appropriation – Indefinite – Permanent	E	Credit reform loans.
★		6790	Other Expenses Not Requiring Budgetary Resources	E	Net debit balance for vendor overpayments collected.
★			(The amount in account 6790 should equal the E-B Balance in account 1310 that relates only to vendor overpayment.)		
★		2190	Other Accrued Liabilities	E-B	If net decrease, unfunded.
		2220	Accrued Unfunded Liabilities	E-B	If net decrease.
		2610	Retirement Plans	E-B	If net decrease.
		2620	Insurance Plans	E-B	If net decrease.
		2690	Other Actuarial Liabilities	E-B	If net decrease.
		2940	Capital Lease Liability	E-B	If net decrease related to payment made prior to FY 1991.
		2920	Contingent Liabilities	E-B	If net decrease.
		2990	Other Liabilities	E-B	If net decrease.
★		2995	Accrued Cleanup Cost	E-B	If net decrease.
			(If the above accounts are not available the balance in account 6800 can be substituted if account 6800 has a credit balance.)		

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★2.D.	Other (Increases)/ Decreases	4261	Actual Collection of Fees	E	Credit reform.
		4262	Actual Collection of Loan Principal	E	Credit reform.
		4264	Actual Collection of Rent	E	Credit reform.
		4265	Actual Collections from Sale of Foreclosed Property	E	Credit reform.
★		4266	Other Actual Collections – Non-Federal	E	Credit reform, portion that increases loan guarantee liability or allowance for subsidy.
★		4271	Actual Program Fund Subsidy Collected – Definite-Current	E	Credit reform.
★		4272	Actual program Fund Subsidy Collected – Permanent	E	Credit reform.
★		4274	Actual Program Fund Subsidy Collected – Indefinite – Current	E	Credit reform.
★		4275	Actual Collections from Liquidating Fund	E	Credit reform, portion that increases loan guarantee liability or allowance for subsidy.
★		4277	Other Actual Collections – Federal	E	Credit reform, portion that increases loan guarantee liability or allowance for subsidy.
★		4281	Actual Program Fund Subsidy Receivable – Definite – Current	E-B	Credit reform.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★2.D.	Other (Increases)/ Decreases	4282	Actual Program Fund Subsidy Receivable – Indefinite – Permanent	E-B	Credit reform.
★		4284	Actual Program Fund Subsidy Receivable – Indefinite – Current	E-B	Credit reform.
★		4285	Receivable from the Liquidating Fund	E-B	Credit reform.
★		4286	Receivable from the Financing Fund	E-B	Credit reform.
★		4287	Other Federal Receivables	E-B	Credit reform.
★		5730	Financing Sources Transferred – Out Without Reimbursement	E	Adjustment for trust fund outlays that do not affect net cost. Portion related to nonexchange expenditure transfer – out.
★		7400	Prior Period Adjustments	E	Use if related to asset reported in Section 2.
★2.E.	Total Resources That Do Not Fund Net Costs of Operations		Sum of 2.A. through 2.D.		
3.	Cost That Do Not Require Resources				
★3.A.	Depreciation and Amortization	6710	Depreciation, Amortization and Depletion	E	
★3.B.	Revaluation of Assets and Liabilities – Increases/ (Decreases)	7190	Other Gains	E	Revaluation of assets.
		7290	Other Losses	E	Revaluation of assets.
★3.C.	Other – Increases / (Decreases)	6720	Bad Debt Expense	E	Related to uncollectible noncredit reform receivables.

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★3.C.	Other – Increases/ (Decreases) (Cont.)	7110	Gains on Disposition of Assets	E	Include if a budgetary resource is not recognized upon sale or disposition of asset. Net credit balance for vendor overpayments receivable. Debit balance for other activity. Downward subsidy reestimate. Associated with obligations only.
★		7210	Losses on Disposition of Assets	E	
		6500	Cost of Goods Sold	E	
		6790	Other Expenses Not Requiring Budgetary Resources		
★		6199	Adjustments to Subsidy Expense	E	
★		7300	Extraordinary Items	E	
★3.D.	Total Costs That Do Not Require Resources		Sum of Lines 3.A. through 3.C.		
★4.	Financing Sources Yet to be Provided	2190	Other Accrued Liabilities	E-B	If net increase, unfunded.
		2220	Accrued Unfunded Liabilities	E-B	If net increase.
		2610	Retirement Plans	E-B	If net increase.
		2620	Insurance Plans	E-B	If net increase.
		2690	Other Actuarial Liabilities	E-B	If net increase.
		2940	Capital Lease Liability	E-B	If net increase related to payment made prior to FY 1991.
		2920	Contingent Liabilities	E-B	If net increase.
		2990	Other Liabilities	E-B	If net increase, unfunded portion.
		2995	Accrued Cleanup Cost	E-B	If net increase.
		THE 9 ACCOUNTS ABOVE MUST EQUAL THE ACCOUNT BELOW			

Table 8-1 (Cont.)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Statement of Financing Title	Account No.	Account Title	Trial Bal.	Additional Detail Required
★4.	Financing Sources Yet to be Provided (Cont.)	6800	Future Funded Expenses	E	Debit account only when account has a debit balance.
5.	Net Cost of Operations		Sum of lines 1.H., 2.E., 3.D., and 4.		
			(The sum of line 5 shall equal Statement of Net Cost, Line 5)		

Table 8-1 (Cont.)